

		FOR BHF USE			

LL2

Supportive Living Facility

2021

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2021)

IMPORTANT NOTICE

THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I. Facility ID Number: 1000140

Facility Name: HERITAGE WOODS OF GURNEE LLC

Address: 3775 GRAND AVENUE GURNEE 60031

County: LAKE

Telephone Number: (847) 623-6300 Fax # 847 623-6305

Federal Employer ID Number:

Date Current Owners were Certified: 8/21/2013

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL
<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State
<input type="checkbox"/> Trust	<input checked="" type="checkbox"/> Partnership	<input type="checkbox"/> County
IRS Exemption Code	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other
	<input type="checkbox"/> "Sub-S" Corp.	
	<input type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other	

In the event there are further questions about this report, please contact:

Name: Danel Erickson Telephone Number: (779) 771-6947

Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2021 to 12/31/2021 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed) _____	(Date) _____
	(Type or Print Name) Greg Echols	
Paid Preparer	(Title) CFO, Gardant Management Solutions	
	(Signed) _____	(Date) _____
	(Print Name and Title) _____	
	(Firm Name & Address) _____	
	(Telephone) () _____ Fax # () _____	

MAIL TO: BUREAU OF HEALTH FINANCE

IL DEPT OF HEALTHCARE AND FAMILY SERVICES

201 S. Grand Avenue East

Springfield, IL 62763-0001 Phone # (217) 782-1630

STATE OF ILLINOIS

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Facility Name: HERITAGE WOODS OF GURNEE LLC

Report Period Beginning:

01/01/2021

Ending:

12/31/2021

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
	A. General Services							
1	Dietary and Food Purchase	333,669	205,121	1,950	540,740	0	540,740	1
2	Housekeeping, Laundry and Maintenance	132,705	63,460	107,713	303,877	0	303,877	2
3	Heat and Other Utilities			179,416	179,416	(25,339)	154,076	3
4	Other (specify):	520	0	68,625	69,145	0	69,145	4
5	TOTAL General Services	466,894	268,581	357,703	1,093,178	(25,339)	1,067,839	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	654,573	23,800	0	678,373	0	678,373	6
7	Activities and Social Services	50,562	7,597	0	58,159	0	58,159	7
8	Other (specify):	0	0	0	0	0	0	8
9	TOTAL Health Care and Programs	705,134	31,397	0	736,532	0	736,532	9
	C. General Administration							
10	Administrative and Clerical	248,550	43,879	407,276	699,704	(30,136)	669,568	10
11	Marketing Materials, Promotions and Advertising	65,670	9,680	46,443	121,793	0	121,793	11
12	Employee Benefits and Payroll Taxes	0	0	288,440	288,440	0	288,440	12
13	Insurance-Property, Liability and Malpractice	0	0	120,669	120,669	0	120,669	13
14	Other (specify):	0	0	292,987	292,987	(72,316)	220,671	14
15	TOTAL General Administration	314,220	53,558	1,155,814	1,523,593	(102,452)	1,421,141	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,486,248	353,536	1,513,518	3,353,302	(127,791)	3,225,511	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			599,641	599,641	0	599,641	17
18	Interest			349,514	349,514	(2,315)	347,199	18
19	Real Estate Taxes			90,495	90,495	0	90,495	19
20	Rent -- Facility and Grounds			0	0	0	0	20
21	Rent -- Equipment			13,585	13,585	0	13,585	21
22	Other (specify):	0	0	2,890,061	2,890,061	0	2,890,061	22
23	TOTAL Ownership	0	0	3,943,296	3,943,296	(2,315)	3,940,980	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,486,248	353,536	5,456,813	7,296,598	(130,106)	7,166,491	24

Facility Name: HERITAGE WOODS OF GURNEE LLC

Report Period Beginning: 01/01/2021 Ending: 12/31/2021

V. STAFFING AND SALARY COSTS (Please report each line separately.)

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	Inc line 12	\$ Inc line 12	1
2	Licensed Practical Nurses	2	30.64	2
3	Certified Nurse Assistants	14	15.75	3
4	Activity Director & Assistants	Inc line 12	Inc line 12	4
5	Social Service Workers	0	0.00	5
6	Head Cook	0	0.00	6
7	Cook Helpers/Assistants	11	13.13	7
8	Dishwashers	0	0.00	8
9	Maintenance Workers	Inc line 12	Inc line 12	9
10	Housekeepers	1	11.96	10
11	Laundry	0	0.00	11
12	Managers	6	27.85	12
13	Other Administrative	3	27.48	13
14	Clerical	Inc line 13	Inc line 13	14
15	Marketing	Inc line 12	Inc line 12	15
16	Other	0	0.00	16
17	Total (lines 1 thru 16)	37	\$	17

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
none			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES ☐ NO ☒

Name of related entity: If yes, what is the value of those services? \$

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES ☐ NO ☒

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1				\$	1
2					2
3					3
4					4
5					5
Total				\$ 0	6

VI. (B) Management fees paid to unrelated parties Amount of Fee

1	Gardant Management Solutions	\$ 301,202	1
2			2
Total		\$ 301,202	3

Facility Name: HERITAGE WOODS OF GURNEE LLC Report Period Beginning: 01/01/2021 Ending: 12/31/2021

VIII. OWNERSHIP COSTS

A. Purchase price of land 1,233,458 Year land was acquired 2008

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar. *Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	105			2008	\$ 14,747,008	\$ 536,640	27.5	\$ 536,255	\$ (385)	\$ 4,955,694	1
2									0		2
3									0		3
4									0		4
5									0		5
	Improvement Type										
6	Leasehold Improvements				541,276	36,568	15.0	36,085	(483)	332,013	6
7									0		7
8									0		8
9									0		9
10									0		10
11									0		11
12									0		12
13									0		13
14									0		14
15									0		15
16									0		16
17	TOTAL (lines 1 thru 16)				\$ 15,288,284	\$ 573,208		\$ 572,340	\$ (868)	\$ 5,287,707	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 1,130,970	\$ 26,434	\$ 226,194	199,759	5	\$ 1,033,963	18
19			0	0	\$	5	-	19
20	TOTAL (lines 18 and 19)	\$ 1,130,970	\$ 26,434	\$ 226,194	199,759		\$ 1,033,963	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: _____

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? ☐ YES ☐ NO

		1	2	3	4	5	6	
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building			/ /	\$			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL		0		\$ 0			7

8. Is movable equipment rental included in building rental?

☐ YES ☐ NO

9. Rental amount for movable equipment \$ _____

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	2		3	4	6		7	8	9	
	Name of Lender	Related**		Purpose of Loan	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense	
		YES	NO			Original	Balance				
	A. Directly Facility Related										
	Long-Term										
1	CENTENNIAL MORTGAGE		X	FIRST MORTGAGE	8/1/11	\$ 11,550,000	\$ 0	11/1/52	0.0445	\$ 322,560	1
2	MERCHANTS CAPITAL CORP		X	FIRST MORTGAGE	11/29/21	11,051,200	11,051,200	12/1/61	0.0249	24,460	2
3											3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 22,601,200	\$ 11,051,200			\$ 347,020	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 22,601,200	\$ 11,051,200			\$ 347,020	10

* If there is an option to buy the building, please provide complete details on an attached schedule.
** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

Facility Name: HERITAGE WOODS OF GURNEE LLC

Report Period Beginning: 01/01/2021

Ending: 12/31/2021

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2021

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 2,041,947	\$	1
2	Cash-Patient Deposits	920		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance (376,029))	0 1,235,084		3
4	Supply Inventory (priced at)	0		4
5	Short-Term Investments	0		5
6	Prepaid Insurance	95,599		6
7	Other Prepaid Expenses	4,859		7
8	Accounts Receivable (owners or related parties)	89,966		8
9	Other(specify): See Page 7 Attachment	600		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,468,976	\$ 0	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable	0		11
12	Long-Term Investments	0		12
13	Land	1,233,458		13
14	Buildings, at Historical Cost	14,747,008		14
15	Leasehold Improvements, at Historical Cost	541,276		15
16	Equipment, at Historical Cost	1,130,970		16
17	Accumulated Depreciation (book methods)	(6,321,670)		17
18	Deferred Charges	1,034		18
19	Organization & Pre-Operating Costs	114,892		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	0 (106,273)		20
21	Restricted Funds	1,504,717		21
22	Other Long-Term Assets (specify):	0		22
23	Other(specify): See Page 7 Attachment	5,000		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 12,850,412	\$ 0	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 16,319,389	\$ 0	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 39,704	\$	26
27	Officer's Accounts Payable	0		27
28	Accounts Payable-Patient Deposits	0		28
29	Short-Term Notes Payable	0		29
30	Accrued Salaries Payable	0		30
31	Accrued Taxes Payable	100,145		31
32	Accrued Interest Payable	22,931		32
33	Deferred Compensation	0		33
34	Federal and State Income Taxes	0		34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	2,413,383		35
36		0		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 2,576,163	\$ 0	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	0		38
39	Mortgage Payable	10,942,734		39
40	Bonds Payable	0		40
41	Deferred Compensation	0		41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 10,942,734	\$ 0	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 13,518,898	\$ 0	45
46	TOTAL EQUITY	\$ 2,800,491	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 16,319,389	\$ 0	47

*(See instructions.)

Facility Name: HERITAGE WOODS OF GURNEE LLC

Report Period Beginning: 01/01/2021

Ending:

12/31/2021

XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
	I. Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 5,485,791	1
2	Discounts and Allowances	(32,140)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 5,453,651	3
	B. Other Operating Revenue		
4	Special Services	266,491	4
5	Other Health Care Services	0	5
6	Special Grants	272,976	6
7	Gift and Coffee Shop	0	7
8	Barber and Beauty Care	3,610	8
9	Non-Resident Meals	0	9
10	Laundry	0	10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 543,077	11
	C. Non-Operating Revenue		
12	Contributions	0	12
13	Interest and Other Investment Income	2,315	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 2,315	14
	D. Other Revenue (specify):		
15	See Page 8 Attachment	21,046	15
16		0	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 21,046	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 6,020,089	18

		2	
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	1,093,178	19
20	Health Care/ Personal Care	736,532	20
21	General Administration	1,523,593	21
	B. Capital Expense		
22	Ownership	3,943,296	22
	C. Other Expenses		
23	Special Cost Centers	0	23
24	Non-Operating Expenses	0	24
25	Other (specify):	0	25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 7,296,598	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (1,276,509)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (1,276,509)	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 3,638,688	32
33	Private Pay - Net Inpatient Revenue	1,814,962	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 5,453,650	37

Operating Expenses PG 3 Other			
A. General Services		D. Ownership	
Labor Other (specify):		Other (specify):	
Extraordinary COVID Labor	\$ 520	Interest & Dividend Income	\$ -
PG3-4.1	\$ 520	Assessment Income	\$ -
		Assessment Expense	\$ -
A. General Services		Amortization - Loan Fees	\$ 13,132
Other (specify):		Financing Fees	\$ 920,609
Exterminating	\$ 2,141	Mortgage Interest Premium	\$ -
Rubbish Removal	\$ 10,943	Mortgage Service Fee	\$ -
Vehicle Expense	\$ 1,798	Mortgage Insurance Prem	\$ 47,202
Transportation Service	\$ 1,032	Letter of Credit Fee	\$ -
Security & Monitoring	\$ 26,655	Bond & Draw Fee	\$ -
Extraordinary COVID - Supplies & Equipment	\$ 16,368	Remarketing and Trustee Fee	\$ -
Extraordinary COVID - Other	\$ 9,688	Interest Expense-Note	\$ -
PG3-4.3	\$ 68,625	Interest Expense-LP	\$ -
		Debt Write-Off	\$ -
C. General Administration		Partnership/Priority Mgmt Fee	\$ -
Other (specify):		Asset Mgmt/Investor Service Fee	\$ 50,000
Consulting	\$ 164,912	Incentive Management	\$ 1,741,099
Legal	\$ 6,084	Incentive Asset Mgmt Fee	\$ 102,430
Audit & Accounting	\$ 20,029	Tax Credit Fees	\$ 2,100
Contract Labor-Serv Prov	\$ 1	Organizational Expense	\$ -
Contract Labor	\$ 29,645	Developer Fees	\$ -
Bad Debt - Resident	\$ 87,939	Amortization Expense	\$ 11,489
Bad Debt - Resident - Recovery	\$ -	Prior Period Adjustments	\$ -
Bad Debt - Medicaid Pending Denial	\$ (20,480)	Loss (Gain) on Sale of Assets	\$ -
Bad Debt - Medicaid Pending - Recovery	\$ -	Settlement	\$ -
Bad Debt - Medicaid	\$ -	Property Damage Loss	\$ 2,000
Bad Debt - Medicaid Recovery	\$ -	Abandonment Loss	\$ -
Bad Debt - Medicaid MCO	\$ 5,767	Grant Income	\$ -
PG3-14.3	\$ 293,897	PG3-22.3	\$ 2,890,061

Operating Expenses - Reclassifications and Adjustments PG3			
A. General Services			
Heat and Other Utilities			
Cable	\$	25,339	
PG3-3.5	\$	25,339	
C. General Administration			
Administrative and Clerical			
Beauty Salon & Manicure	\$	3,610	
Internet Access	\$	3,199	
Telephone- Connection	\$	20,557	
Telephone- Usage	\$	270	
Contributions	\$	2,500	
PG3-10.5	\$	30,136	
C. General Administration			
Other (specify):			
Bad Debt - Resident	\$	87,939	
Bad Debt - Resident - Recovery	\$	-	
Bad Debt - Medicaid Pending Denial	\$	(20,480)	
Bad Debt - Medicaid Pending - Recovery	\$	-	
Bad Debt - Medicaid	\$	-	
Bad Debt - Medicaid Recovery	\$	-	
Bad Debt - Medicaid MCO	\$	5,767	
PG3-14.5	\$	73,226	
D. Ownership			
Interest:			
Interest Income	\$	1,230	
Interest Income - Reserves	\$	1,085	
PG3-18.5	\$	2,315	
D. Ownership			
Other (specify):			
Goodwill Amortization	\$	-	
Remarketing and Trustee Fee	\$	-	
PG3-22.5	\$	-	

Balance Sheet PG 7 Other					
A. Other Current Asset Details			C. Current Liabilities Detail		
A/R-Employee Advance	\$	-	Construction Account Payable	\$	-
A/R-Gardant Mgmt Solutions	\$	-	Accrued Asset Mgmt/Investor Service Fee	\$	50,000
A/R-Insurance Reimbursement	\$	-	Accrued Partnership/Priority Mgmt Fee	\$	-
A/R-CIP	\$	-	Accrued Incentive Mgmt Fee	\$	1,741,099
A/R-Other	\$	600	Accrued Incentive Asset Mgmt Fee	\$	102,430
A/R-TIF/Abatement	\$	-	Accrued Liabilities	\$	77,586
PG7-9.1	\$	600	Accrued Insurance	\$	-
B. Other Long Term Assets Detail			Accrued Developer Fee	\$	-
CIP	\$	-	Accrued MIP	\$	-
CIP- Land Option Addition	\$	5,000	Accrued Vacation	\$	-
CIP- Other Addition	\$	-	Payroll Union Dues	\$	-
PG7-23.1	\$	5,000	Payroll Benefits	\$	-
			Security Deposits Held	\$	-
			Unclaimed Property	\$	14,178
			Reservation Deposit	\$	-
			Unearned Revenue - Resident	\$	80,597
			Unearned Revenue - Medicaid	\$	347,493
			Prepaid Medicaid Clearing	\$	-
			Prepaid Rent	\$	-
			PG7-35.1	\$	2,413,383

Income Statement PG 8 Other			
D. Other Revenue		Notes	
Contract Service-Serv Prov	\$	-	
Other	\$	3,492	Late fees and call pendants
Property Tax Adjustments	\$	13,954	
Property Lease Income	\$	3,600	
Insurance Adjustments	\$	-	
Developer Fee Income	\$	-	
Home Office Rent Income	\$	-	
Food & Meal Prep	\$	-	
PG8-15.1	\$	21,046	